

THREE RIVERS SCHOOL DISTRICT  
8550 NEW HOPE ROAD  
GRANTS PASS, OR 97527

Three Rivers School Board of Directors met for a regular session, Monday, June 20, 2011 at the Three Rivers District Administration Office, 8550 New Hope, Grants Pass, Josephine County, Oregon at 7:00 p.m.

PRESENT: Dave Strahan, Chairperson of the Board, Zone IV PRESENT  
Bob Litak, Vice-Chairperson of the Board, Zone I  
Jim Weaver, Member of the Board, Zone II  
Leslie Meier, Member of the Board, Zone III  
Ron Lengwin, Member of the Board, Zone V  
Debbie Breckner, Director of Human Resources  
Doug Ely, Director of Student Services  
John George, Director of Secondary Education  
Peter Maluk, Director of Elementary Education  
Dan Huber-Kantola, Superintendent-Clerk

Also Present: Lisa Cross/District Accountant, Dave Marks, Devon Dorn, ALSO PRESENT  
Colleen Hoffman, Michael Morris/Sodexo, Dave Bracken/  
Aramark, Ron Crume, Rick Draper, Jadd Horban, Jennifer  
Parsons, Pamela Katz and Shelly Berry/Recording Secretary.

Board Chair Strahan called the meeting to order at 7:00 PM and led the audience in the Pledge of Allegiance. CALL TO ORDER

Superintendent Huber-Kantola recognized our two outgoing Board Members, Dave Strahan and Jim Weaver. Dave Strahan has been the Board Chair this year and has also served as Board Chair two times before. Superintendent Huber-Kantola presented Board Chair Strahan a plaque recognizing his service as Board Chair. Dave Strahan has also served as a member of the Board since 2003. Some of the things accomplished together as a school district include serving as author of the bond measure that went to the public; there was tremendous work on energy projects throughout the district and a lot of work on the high school facilities. Academically, when we first started eight years ago, the math scores in our district, especially at the secondary level, were embarrassing—below the twentieth percentile. From that to last year, which goes to Member Weaver as well, we are the only multiple high school district in the state where all three of the high schools met adequate yearly progress as measured by the Federal government. Jim Weaver has served as a member of the Board since 2002. We will miss his wisdom and dry humor. Superintendent Huber-Kantola stated that he will personally miss the expertise he has when it comes to energy. Our district has done some amazing things in the last few years energy-wise that will payoff well beyond the years of service. Every school in the district now has lighting that is the most up-to-date and energy efficient lighting that schools have which was paid for through the reduction of the electrical bills that came out of that. The biggest energy efficiency is the biomass boilers that were put at Evergreen Elementary and Illinois Valley High School this year. We are the first school district in Southern Oregon to have a biomass system and wouldn't have that and most of the energy efficiencies if Mr. Weaver hadn't pushed for it. Mr. Strahan and Mr. Weaver were presented plaques to recognize their many years of service to the district. RECOGNITION OF EXCELLENCE

Member Litak added that he feels very lucky to have served with both of them and it has been an honor and a privilege. He expressed his appreciation for the hundreds of hours of public service done on behalf of our kids.

RECOGNITION OF EXCELLENCE (CONTINUED)	Member Meier echoed the comments of Member Litak and added that most people don't realize how much behind the scenes time it takes and they both have given their time and efforts and will be missed.
FINANCIAL REPORTS	<p>District Accountant Lisa Cross stated the ending fund balance is still at \$1.21 million. We anticipate coming in just above that amount. Ms. Cross also reported that back in 2008 our local government investment pool was at risk when Lehman Brothers filed for Chapter 11 bankruptcy; 1-1/2 to 2% of their holdings were Lehman Brother bonds. The government investment pool had a risk of losing 2% of their funds. What they have done over the last three years is gradually set aside an allowance to cover the losses. They are about 80% backfilled if they should lose that 2% of their funds, which makes them almost flush.</p> <p>Member Litak asked what impact that would have on us? Ms. Cross responded that at this point we would see very little impact. But if the state lost money, we could lose it. But since they recovered almost 80% of it, and every month they continue to do so, by the time it is all said and done, we shouldn't feel anything if it were an adverse impact.</p> <p>Member Litak asked to point out that we started the year with an ending fund balance of \$1.6 million and our ending fund balance now is at \$1.2 million. We have operated at at \$400,000 deficit this year.</p>
CONSENT AGENDA APPROVED	Member Meier moved to approve the Consent Agenda as presented. Member Weaver seconded and the motion carried unanimously. Member Litak abstained as he was not present at the May 16th meeting.
COMMUNITY COMMENTS	Board Chair Strahan opened up the meeting for community comments and there were none.
WOODLAND CHARTER SCHOOL UPDATE	Federal Programs Director Peter Maluk reported that Friday he will attend the Oregon State Board of Education meeting with our attorney Andrea Hungerford. After the review panel for the Oregon Department of Education was finished with their work, they chose to recommend that the State Board deny State sponsorship. Which means if the State didn't grant it, our district would wind up paying 95% of our ADM per student. The reviewers found in our favor on seven of the twenty characteristics they were looking for, the most important being the "quality of adverse impact", which was a 3-2 rating. In our report to the Board in preparation of the meeting we stressed how adverse it would be if this charter school were to open in this upcoming biennium. This is just the first hearing and the State Board will be taking public comments, and does not believe we will have the same opportunity in July at the second hearing. Our attorney, Andrea Hungerford, will be speaking on our behalf which is good for us as she is a proponent of Charter Schools.
TITLE X MCKINNEY VENTO	Director Maluk reported that last week the district received a two-year \$50,000/year grant for McKinney-Vento, which is a homeless assistance grant. It is a consortium grant, and this will be the third year for us. We get \$30,000 and they get \$20,000 each year. It is targeted to providing after-school tutoring for homeless students, but is not limited to just homeless students. We are also able to target at-risk kids in the middle and high schools. This grant will give us enough money to enhance the program. That money also provides us with school of origin transportation, supplies, laundry and other needed things. Three Rivers School District is over 7% homeless, which is one of the highest in the state.

Student Services Director Doug Ely presented the following policies to the Board for second reading:

- JHCD—Administering Noninjectable Medicines to Students
- JHCD-AR—Administering Noninjectable Medicines to Students
- JHCDA—Administering Injectable medications to Students

SECOND READING  
BOARD POLICIES

Director Ely reported the concerns expressed over the disposal options for medications were researched and the revision to the procedure has been made to the policy. The final reading will be made in July.

District Accountant Lisa Cross presented the resolution for the annual carryover of funds that the schools have saved from their discretionary. Member Weaver moved to approve the resolution (#05) to transfer funds from General Fund to Carryover Fund. Member Litak seconded and the motion carried unanimously.

RESOLUTION (#5)  
TRANSFER FUNDS TO  
CARRYOVER

APPROVED

District Accountant Lisa Cross presented resolution (#06) GASB54, which is a resolution establishing authority to assign ending fund balance. This is a new policy, which requires fund balances to be reported in categories set forth by GASB54. The resolution would grant the Superintendent the authority to classify the portions of the ending fund balance as assigned. Member Weaver moved to approve the resolution implementing GASB54. Member Meier seconded and the motion carried unanimously.

RESOLUTION (#06)  
GASB54

APPROVED

Human Resources Director Debbie Breckner reported the licensed contract contained a financial reopener for this school year. Director Breckner provided a summary of the tentative agreement that was reached. There are a few language changes, but the new contract provides for:

- The insurance cap will be frozen for next year at \$900
- No cost of living (COLA)
- No step
- Provides a one-time allowance of \$900 to all teachers to be paid in December
- Ends early retirement benefits for any employee hired after 2007
- Freezes the \$35,000 Professional Development Fund
- Provides a Memorandum of Understanding (MOU) in the event that the charter school was to provide bargaining provisions.

TREA/LICENSED  
CONTRACT

Director Breckner was pleased with the problem-solving that occurred between TREA and the District in solving enormous financial challenges that the district is facing and recommends the Board approve the contract as presented.

Member Weaver moved to approve the Three Rivers Education Association (TREA) licensed contract. Member Meier seconded the motion.

Member Lengwin questioned the \$900 allowance? Director Breckner responded that there was a previous proposal for a lesser amount but it has been \$900 since they reached agreement. This is a one time thing and non-precedent setting.

Member Litak was pleased that the bargaining went so well. However he has issues:

- We have cut 15 days this school year
- We have to cut 6 days next school year
- We have lost a lot of staff which will force higher teacher/student ratios.
- There were some increases in last years contract with the licensed and the licensed have received some significantly higher increases in the past years than our other groups, and believes they are still well compensated relative to our peers.

Therefore, has a problem with the \$900 allowance. Director Litak does not believe we can

TREA/LICENSED CONTRACT (CONTINUED)

afford to do that and believes that we would be much better off taking that money and putting it towards either hiring back staff or increasing days. Therefore, he is not able to support this agreement.

APPROVED

A vote was called for and the motion to approve the TREA contract passed 3-2 (Litak and Lengwin opposing).

CONFIDENTIAL EMPLOYEE AGREEMENT AND MOU

Director Breckner stated that there are eight Confidential employees in the District that are not represented by either collective bargaining group. The agreement for 2011-2012 updates dates from the previous agreement as well as providing for no cost of living, steps to the employees eligible for steps, the insurance cap is frozen, changes the pay date to match with the rest of the District, increases the donation of sick leave days from seven to eight for the sick leave bank and puts them compensated at the same level as other groups in the District. Director Breckner recommended approval of the Confidential Agreement in advance of the 2011-2012 school year.

Member Meier moved to approve the Confidential Employee Agreement. Member Weaver seconded.

Member Litak stated that in order to be consistent, he cannot agree with this group getting steps when no other group is getting them, and will not support it.

A vote was called for and the motion to approve the Confidential Agreement passed 4-1 (Member Litak opposing).

APPROVED

Board Chair Strahan presented the revised Superintendent contract for approval. The following changes were made: the contract start date of June 20, 2011, the contract has been reduced by six days and he will also receive a one-time allowance of \$900.

SUPERINTENDENT CONTRACT

Member Meier reported that the Superintendent requested that his contract be cut more days than the rest of the staff and the Board indicated that they were not in favor of that. The Board appreciates him taking a reduction in line with the rest of the staff, but should not take a greater reduction.

Member Litak stated that the Superintendent has taken financial sacrifices and been the first one to step up since day one. Board Chair Strahan added that his base salary is less than any Superintendent. Member Meier also added that when he was hired the two jobs of Business Manager and Superintendent were rolled in to one and saved the District a significant amount of money.

APPROVED

Member Meier moved to approve the Superintendent contract adding a change to item #3 in the Early Retirement clause which adds that "The insurance shall cease upon the Superintendent attaining age sixty-five". Member Litak seconded and the motion carried unanimously.

SUPERINTENDENT MOU

Director Breckner clarified that the Superintendent Memorandum of Understanding (MOU) should be voted on as a separate item. The MOU allows the Superintendent to notify the Board by January of next year if he decides that the Superintendent position is not a long term position for him. It provides assignment back as an administrator if there is an opening available if that is his choice. The MOU is renewable through the end of his contract in 2013, in which it could be again added at that time upon agreement of the Board and Superintendent Huber-Kantola.

Member Meier added that was something that Superintendent Huber-Kantola had requested when he was originally hired and part of his original contract.

Member Meier moved to approve the Superintendent Memorandum of Understanding. APPROVED  
Member Litak seconded and the motion carried unanimously.

Superintendent Huber-Kantola presented the Administrator Memorandum of Understanding for approval. Last year we had a one-year agreement with the administrative staff and we reduced their days over a two-year period by fifteen. Last year was ten and the year before that was five. They did not receive any step or COLA last year. The only compensation they received is they went from \$885/month insurance cap to \$900/month insurance cap, which is the same amount that we gave the teachers. Like the Superintendent contract, if you look at the high school, middle school and vice-principal salaries that we pay they are among either the lowest in the state or they are right near the bottom in all of those categories. Superintendent Huber-Kantola stated he would like to give them more to get them so that they weren't at the bottom of things. It doesn't help us to attract administrators recognizing that this isn't the financial time to make the adjustment in salaries. This memorandum gives them an additional compensation in the category of mileage and cell phone stipend. Right now they receive a monthly mileage and cell phone stipend of \$100/month. In the memorandum it increases the amount to \$200/month. By comparison, in our neighboring district, the allotment for the Grants Pass School District administrators is \$200/month already and their in negotiations about changing that to possibly a higher level. Their Superintendent receives \$500/month in travel compensation. The \$200/month in a District our size where people have to travel much further, doesn't seem undue given everything else they have not received lately. They still, in this contract, would not receive a COLA or step. Like the teachers contract, they would receive a phantom step where they would receive that step beginning the following year. The insurance would also be frozen at the \$900 rate and the sick leave bank would change slightly to go more like the classified, where you have to contribute, and you could only use up to twenty days from the sick leave bank. Also suggested to add, as in the Superintendent contract, the sentence in section six about early retirement that says "Upon the administrator attaining 65 the insurance would cease". They would also be reduced the six days and would agree to renegotiate both days if the Woodlands Charter School were to come to fruition. ADMINISTRATOR MOU

Member Meier moved to approve the Administrator Memorandum of Understanding with the addition of the sentence in the Early Retirement portion that states "the insurance would cease upon retaining age sixty-five". Member Weaver seconded.

Member Lengwin asked if the cell phone stipend is for their private cell phones or run through the district? Superintendent Huber-Kantola responded that it is their private phones. They are not given district cell phones. Director Breckner added that the administrators are now required to have cell phones for text and e-mail as well. It is more cost effective for them to have their own phones and eliminates the need for them to carry two cell phones—one for business use and one for private use.

Member Meier commented that for a lot of our administrators just the mileage eats up the stipend given the amount of miles that we have to cover. Director Breckner added that we now have more principals that are split between two schools. She then added that it pains her as it does with the Superintendent contract that we can't do more for the administrators. We need to aim to be in a range with other districts in Southern Oregon to attract and keep good people and be competitive with our neighboring districts. Unfortunately at these economic times when we are cutting school days and cutting staff she appreciates that the employee groups aren't asking for any more—and wishes we could do better.

Member Litak added that the administrators have always been the first to step up when we started to hit hard times and it is appreciated.

Board Chair Strahan called for a vote and the Administrator Memorandum of Understanding was approved unanimously. APPROVED

EDGEWATER CHRISTIAN  
FELLOWSHIP FACILITY  
USE

Director Maluk presented the facility use requests from Edgewater to use the Fruitdale facilities as they have in the past. The facility use comes before the Board due to the magnitude of use to the building. It has been a very successful partnership and the district is compensated well. This year their volunteers are painting the exterior of Fruitdale. Director Maluk recommended approval of the facility use.

Member Litak moved to approve the Edgewater facility use. Member Lengwin seconded.

Member Litak didn't want this to be a long-term thing, but they have been good partners. Member Meier expressed concern that it has been so long term, but agrees as well that they have been very good partners. Member Meier asked if the use on Wednesdays from 4:30 to 9:00 PM interferes with any school activities or other groups that may want to use the facility? Director Maluk responded that at the elementary school level, there is not typically things going on at night. When the school does need it on a Wednesday, the school has priority for use.

## APPROVED

Board Chair Strahan called for a vote and the Edgewater Facility Use was approved unanimously.

## MAINTENANCE REPORT

Dave Bracken stated he had nothing to add to his written report unless there were questions. Mr. Bracken then added that the church groups were out at their buildings last weekend for *Serve Grants Pass* and the North Valley gym looks great. They completely painted the inside of the gym and trimmed it out in one day. There were over 250 people working on the campus at North Valley. Mr. Bracken will include the other things they did in his board report next month.

## FOOD SERVICE REPORT

Michael Morris stated he had nothing to add to his Food Service Report but wanted to share that he is the Manager of the All-Star National Team for Grants Pass Little League and they will start their trek to the Nationals being held in Pennsylvania this Saturday by playing in Medford.

## ADJOURN

Adjourn at 8:00 PM

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Dave Strahan  
Chairperson of the Board  
THREE RIVERS SCHOOL DISTRICT

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Dan Huber-Kantola  
Superintendent-Clerk  
THREE RIVERS SCHOOL DISTRICT